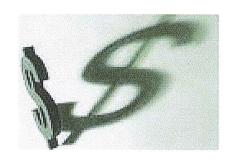
City of Santa Fe Springs City Council Redevelopment Elimination Study Session



Redevelopment Study Session

Clearly, the City of Santa Fe Springs can no longer do business as usual. As well, our challenge is greater than responding to the Redevelopment cuts. We MUST retool City government for greater efficiency and a more streamlined organization to maintain as many services as possible and the jobs that support those services.

Fundamentals

- Tax Increment = \$32 million
- \$10 mil (Pays Debt)
- \$10.4 mil impact on City Budget (Direct/Indirect)
- \$10 mil balance = pass thrus, State Take-aways and discretionary reserves
- Gross Impact \$13.4 mil

Council Priorities

A Safe Community

Public safety is the city's top priority. All other programs and services hinge on...remaining a safe community.

A Fiscally Sound Community

The city's conservative fiscal philosophy and its approach to budgeting ensure programs and services are provided efficiently. Efforts to protect local control of city revenues are critical to the city's future success.

Responsive City Government

 City officials and staff embody the city's motto...and are responsive to community needs.

Quality Planning and Infrastructure

• ...is a clean and attractive community. Comprehensive strategic planning efforts serve to enhance future residential, commercial and industrial development. Capital projects are prioritized to ensure infrastructure and public facilities are properly maintained.

A Strong Local Economy

• The city promotes a business friendly environment that creates good jobs and generates needed revenues.

Quality of Life

• The city strives to serve the community's social, recreational and cultural needs to enhance our high quality of life.

General Ideas for Savings

- Restructuring/Consolidate Departments and Functions
- Merge job responsibilities {eliminate duplication of efforts}
- Outsource services to the County/other cities
- Reduce subsidies to non-profits
- Change in employee pension benefit
- Early Retirement—offering incentives
- Permanent Reduced work week; additional furlough days
- Utilize Technology
- Reduce Overtime
- Make full time positions part time
- Reduce spending on employee perks

Cornerstones/Foundation



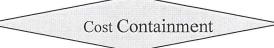
This category outlines organizational restructuring, service reductions or eliminations, and alternative service delivery methods that are recommended to reduce cost and achieve a balanced Amended Policy Budget.



This category outlines short-term opportunities to assess revenue generating opportunities. Medium- and long-term solutions can only be achieved through efforts that require more time and/or other measures not within the City Council's immediate control (e.g., ballot measures, etc.). In the current year, the following revenue generating opportunity will be evaluated: UUT, Transportation Center Parking Fees, Oil Barrel Tax, MRF Host Fee, Street Light District Assessment

Labor

This category reflects efforts to obtain direction from the City Council to authorize the City's negotiating team to seek compensation concessions and/or cost reduction measures in an effort to minimize on-going service cuts.



This category represents immediate measures that the City can put in place to contain expenditures in an effort to minimize on-going service cuts.

Cornerstones

- Employees Paying their Share of retirement
- Look at UUT
- Dedicate Funding for CIPS
- Early Retirement Incentive
- Service Reductions

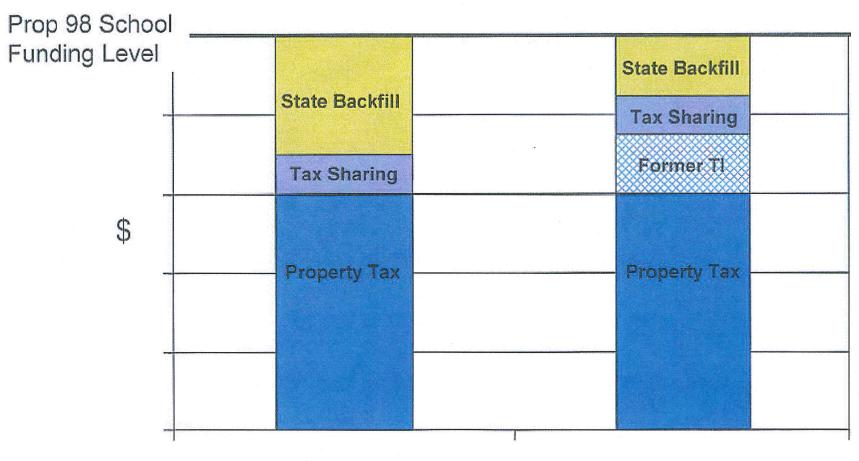
Issues/challenges

- Build a New Santa Fe Springs (without RDA)
- Ready to Serve the Public from Day One
- Avoid Three-legged Dog Syndrome
- Communication to Stakeholders
- Labor Negotiations
- Elimination of Positions
- Restructuring
- RFPs

Redevelopment Study Session

- RDA Sub-Committee Meeting January 24 & 31
- Council Budget Study Session February 4
- Council Approval of Budget Strategy Feb. 16
- Discussions with Labor Groups late Feb
- Community Meetings, Council Advisory
 Committees, Employee Meetings March/April
- FY 2012-13 Budget Refined and Approved -May

Why Did State End Redevelopment?

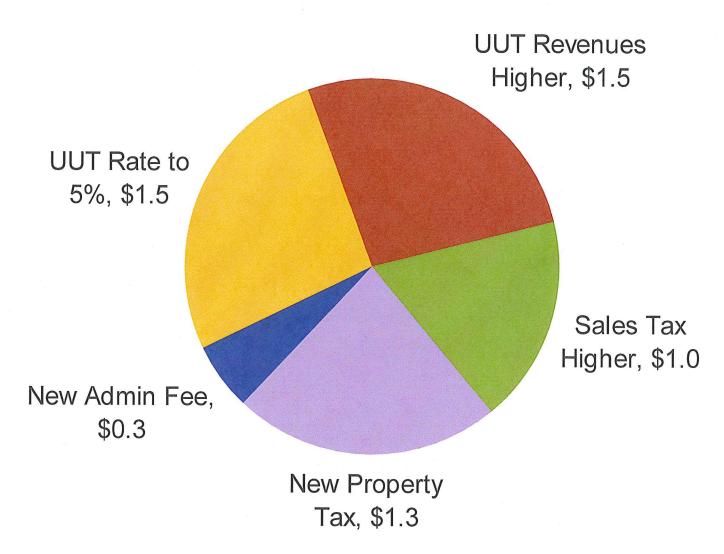


Pre AB 26

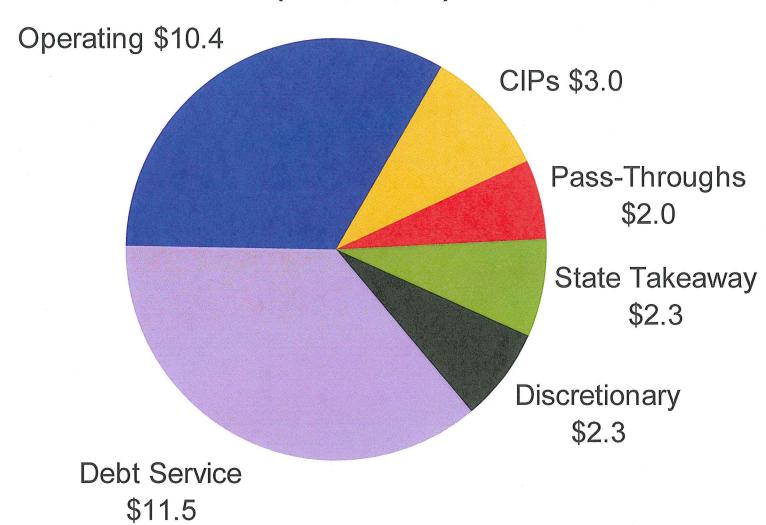
Post AB 26

Net Result, State's Contribution to Local Govt. Reduced

City Revenues – New and Increased \$5.63 Million



Historical RDA Tax Increment Revenues Total \$31.5 Million Annually (in millions)



Future Remaining Use of RDA Tax Increment Revenues \$31.5 Million

